

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO

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In re:

PROMESA
Title III

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

No. 17 BK 3283-LTS

THE COMMONWEALTH OF PUERTO RICO
et al.,

(Jointly Administered)

Debtors.¹

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In re:

PROMESA
Title III

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

No. 17 BK 3567-LTS

PUERTO RICO HIGHWAYS AND
TRANSPORTATION AUTHORITY,

Debtor.

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ORDER DENYING URGENT MOTION FOR BRIDGE ORDER OF AMBAC ASSURANCE CORPORATION,
ASSURED GUARANTY CORP., ASSURED GUARANTY MUNICIPAL CORP., FINANCIAL GUARANTY
INSURANCE COMPANY, AND NATIONAL PUBLIC FINANCE GUARANTEE CORPORATION

¹ The Debtors in these Title III cases, along with each Debtor's respective bankruptcy case number and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17-BK-3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation ("COFINA") (Bankruptcy Case No. 17- BK-3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (Bankruptcy Case No. 17-BK-3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (iv) Puerto Rico Highways and Transportation Authority ("HTA") (Bankruptcy Case No. 17-BK-3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (v) Puerto Rico Electric Power Authority ("PREPA") (Bankruptcy Case No. 17-BK-4780-LTS) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority ("PBA") (Bankruptcy Case No. 19 BK 5523-LTS) (Last Four Digits of Federal Tax ID: 3801) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

The Court has received and reviewed the *Urgent Motion for Bridge Order, and Motion for Appointment as Trustees Under 11 U.S.C. § 926, of Ambac Assurance Corporation, Assured Guaranty Corp., Assured Guaranty Municipal Corp., Financial Guaranty Insurance Company, and National Public Finance Guarantee Corporation* (Docket Entry No. 13708 in Case No. 17-3283 and Docket Entry No. 871 in Case No. 17-3567, the “Motion”) filed by Ambac Assurance Corporation, Assured Guaranty Corp., Assured Guaranty Municipal Corp., Financial Guaranty Insurance Company, and National Public Finance Guarantee Corporation (collectively, the “Movants”). In the Motion, Movants seek entry of an order appointing them as co-trustees pursuant section 926 of the Bankruptcy Code to pursue certain avoidance claims on behalf of the Puerto Rico Highways and Transportation Authority (“HTA”) against the Commonwealth of Puerto Rico (the “Commonwealth”). Movants also seek entry of a bridge order preliminarily appointing them as co-trustees pursuant to section 926 of the Bankruptcy Code while the Motion is pending, and authorizing Movants to file a complaint commencing an avoidance action on HTA’s behalf on or before August 14, 2020.

Movants’ request for entry of a bridge order is denied. The Court intends to rule on the merits of Movants’ application for appointment as co-trustees prior to the expiration of the statute of limitations period for HTA’s avoidance claims, and the placeholder relief sought by Movants is therefore unnecessary. The Court need not address whether the extraordinary relief sought by Movants is available or appropriate under the circumstances.

As set forth in the Court’s *Order Scheduling Briefing in Connection with Urgent Motion for Bridge Order, and Motion for Appointment as Trustees Under 11 U.S.C. § 926, of Ambac Assurance Corporation, Assured Guaranty Corp., Assured Guaranty Municipal Corp., Financial Guaranty Insurance Company, and National Public Finance Guarantee Corporation* (Docket Entry No. 13724 in Case No. 17-3283 and Docket Entry No. 875 in Case No. 17-3567), opposition papers addressing the merits of the Motion must be filed by **July 31, 2020, at 5:00 p.m. (Atlantic Standard Time)**, and reply papers must be filed by **August 7, 2020, at 12:00 p.m. (Atlantic Standard Time)**. The Court will take the Motion on submission.

SO ORDERED.

Dated: July 24, 2020

/s/ Laura Taylor Swain
LAURA TAYLOR SWAIN
United States District Judge